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TAGS: [PREL](#) [PGOV](#) [ECON](#) [EAID](#) [KPAL](#) [IS](#) [IZ](#) [JO](#)

SUBJECT: KING ABDULLAH TALKS WITH NEA A/S BURNS ON IRAQ,  
ROADMAP, U.S. BILATERAL ASSISTANCE, FROZEN IRAQI ASSETS,  
AND ARTICLE 98

Classified By: CDA David M. Hale for reasons 1.5 (b) (d)

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SUMMARY

1. (S) NEA A/S Burns briefed King Abdullah and other senior GOJ officials on his discussion with Abu Alaa, noting that the Palestinians have an opportunity to move the roadmap forward, but must take concrete security steps. The King agreed and said Jordan would deliver the same message to Abu Alaa. The King and FonMin Muasher differed somewhat on plans to return an ambassador to Tel Aviv. The King expressed pride in Jordan's assistance in rebuilding Iraq, especially on the security side. The King reiterated his commitment to reaching an Article 98 agreement with the U.S., and hoped mutually acceptable language could be negotiated soon. He also expressed concerns about Syria, Lebanon, Saudi Arabia, and Iran.

2. (S) The King thanked the U.S. for the FY04 supplemental appropriation and hoped it could go toward the GOJ's Social and Economic Transformation Program (SETP). The King and PM Fayeze agreed to accelerate transfer of USD 150 million in frozen Iraqi assets, with the balance to come after settlement of Jordanian claims. The King asked for "consideration" of Jordan's USD 1.33 billion trade claims on Iraq, and Burns hoped the USG could send a team soon to help address this issue. PM Fayeze said his extensive contacts with the opposition and civil society would lead to a concrete political and social reform program, including new political party and elections laws before the next parliamentary elections. He said he would also use this dialogue to explain difficult but necessary economic steps like price increases and privatization. END SUMMARY

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JORDAN'S ASSISTANCE IN IRAQ

3. (S) NEA A/S Burns met separately November 30 with King Abdullah and Prime Minister Faisal al-Fayeze, and November 29 with Foreign Minister Marwan Muasher. Muasher and Planning Minister Bassam Awadallah attended the meeting with Prime Minister Fayeze; Charge and PolCouns joined throughout. Burns thanked the King for Jordan's continuing assistance in rebuilding Iraq, noting that a large group of Iraqi police trainees had arrived in Jordan the previous night. The King noted that Jordanian special forces would train an Iraqi counterterrorism unit that he hoped would be operational in Iraq by April 2004. The King characterized 2004 as "the year of training and handing back" authority in Iraq, and pledged Jordan's continued support in that effort.

4. (C) PM Fayeze complained that the media -- especially Arabic satellite channels -- are distorting the situation in Iraq by reporting only the negative and ignoring the many positive aspects. Even in the Sunni Triangle, he said, institutions are being strengthened and police and military are starting to come back onto the streets.

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MOMENT OF OPPORTUNITY FOR ABU ALAA

5. (S) Burns briefed the King, PM, and FonMin on his November 29 meeting in Amman with Palestinian PM Ahmed Qurei (Abu Alaa). Burns said that the installation of the government of Abu Alaa provides an opportunity to move forward on the roadmap, but only if the Palestinians take concrete steps on security. He noted that we had provided Abu Alaa with a list of possible concrete security steps the PNA could take immediately. The King agreed that the Palestinians needed to seize the opportunity and act quickly, saying that he would tell Abu Alaa later in the day that the PNA needed to take real steps on security. The King praised the Geneva Accord, saying that it could energize the peace movement and restore hope in an eventual settlement. The King and PM expressed grave concern about Israel's security wall, arguing that it makes a two-state solution more difficult to achieve. Muasher stressed that the two-state solution has particular importance for Jordan.

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16. (C) The King said he hoped to return a Jordanian Ambassador to Tel Aviv soon, noting that he would not wait for Egypt to do the same. The pre-Eid release of 10 Jordanians imprisoned in Israel provided Jordan enough cover with its domestic opposition, the King said, and he wanted to send back an Ambassador in the context of the return of the remaining 71 prisoners. FonMin Muasher said he would now be willing to receive Israeli FonMin Silvan Shalom in Amman, and would see him later in the week at a Euro-Med conference in Naples. However, he said, it remains necessary to demonstrate to Jordanians, especially foes of the peace process, that there are concrete rewards -- such as prisoner releases -- that come out of the relationship with Israel. Muasher was critical of Israeli handling of the prisoner issue, saying that Israel needed to find a way to release the four Jordanians convicted of killing an Israeli soldier. He described Israel's release of ten Jordanians last week as "not serious or credible" given Israel's willingness to compromise with Hizballah on the release prisoners with "blood on their hands." He complained that Israel was taking Jordan "for granted."

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SYRIA AND LEBANON MOVING HIGHER ON THE AGENDA  
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17. (S) The King said that he plans to raise soon with Syrian president Bashar al-Asad Jordan's border complaints against Syria. The King said that Syrian forces had occupied Jordanian territory after Jordanian forces repositioned themselves to "clean up the line and gain better visibility" along the border in order to deal better with infiltrations. He said that he or PM Fayez would go to Damascus in the near future to address this issue. Burns described for the King the Syrian Accountability Act and its likely impact.

18. (C) The King also mentioned that he would tell President Bush of his growing concern over Syrian maneuvering in Lebanon, noting that he may ask the President to consider increasing international pressure on Syria to withdraw its forces from Lebanon. (Note: Lebanese Prime Minister Hariri recently visited Jordan and met King Abdullah. End note.)

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SAUDI SECURITY SERVICES INEPT  
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19. (S) The King said that Saudi Crown Prince Abdullah has been shocked by the recent bombings in Riyadh. The GID had sent a team to spend six weeks in Saudi Arabia to strengthen ties with and help rebuild Saudi intelligence services, but the team found the Saudi services inept and fraught with internal divisions and infighting. He said he had sent "a watered-down report" on the GID's findings to CP Abdullah and briefed him orally on the gravity of their findings, but doubted that the necessary steps to fix the problems could be taken quickly.

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THE SETP, TRANSPARENCY, AND CONDITIONALITY  
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10. (C) The King and PM thanked the U.S. for the USD 100 million supplemental ESF appropriation (and the PM mentioned that the same would be appreciated for FY05 as well). The King hoped that all of this money could go into the Social and Economic Transformation Plan (SETP), saying the SETP had greater transparency than the regular budget and was focused on the sort of socio-economic projects that we both valued. "In the SETP, I know exactly where the money goes," the King declared. Burns encouraged the King, PM, and Planning Minister to support the World Bank's request for an independent audit of the SETP as a step in Jordan's self-interest.

11. (C) Planning Minister Awadallah asked that the U.S. be "a little bit lenient" in imposing conditions on the supplemental appropriation, arguing that "we already have enough conditionalities on the USD 700 million" FY03 supplemental. Burns countered that the conditionality is meant to reinforce decisions the GOJ has already decided to make.

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REFORM AGENDA: "A MODEL FOR THE REGION"  
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12. (C) Fayez said he wants Jordan's planned political, economic, and social liberalization to be "a model for the region." He said that the government does not yet have a concrete program for political and social reform, but that he would develop one in consultation with Parliament, political parties, Islamists, NGOs and other elements of civil society. He noted that he had already begun the process of

consultation, and had already warned the opposition of the necessity of price hikes on petroleum and other products and provided them with justification for the moves -- through this process he hoped to quiet somewhat the reaction of the opposition. "In the past we always denied there would be price hikes, then made them anyway."

13. (C) Other difficult issues he would raise in these conversations would be privatization and political liberalization. He said he hoped to reach a consensus on revisions to the political party and elections laws and have new laws in place for the 2007 parliamentary elections (or, at least, for 2011 elections).

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FASTER ASSETS TRANSFER, BUT WHAT ABOUT THE 1.3 BILLION?  
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14. (C) Burns thanked the King and PM for Jordan's agreement to transfer USD 150 million in frozen Iraqi assets to the Development Fund for Iraq, and asked that the remainder of the frozen funds be transferred as soon as possible. The King and Fayeze agreed to accelerate the payment of the pledged USD 150 million to the DFI. PM Fayeze said that, as soon as all the claims of Jordanian businessmen had been settled, he would be ready to transfer the remainder of the money "the next day."

15. (C) PM Fayeze said the GOJ would come under pressure in Parliament in December regarding the status of the Jordanian Central Bank's USD 1.33 billion trade ledger claims against Iraq. Even Kuwait -- a country much wealthier than Jordan -- is insisting on payment of its claims against Iraq. Burns said that the U.S. does not underestimate the importance of the USD 1.3 billion trade ledger to Jordan, but wants to look at technical options to address it. He hoped that Washington would be able to put together a team to address the issue in the near future. Fayeze said Jordan would welcome a team, but it would have to be empowered to speak on the status of the trade ledger, not just make technical fixes. In a later meeting, the King acknowledged that Jordan may have sent conflicting signals to the U.S. on this issue because of the variety of channels involved. He said he had never intended to link the release of frozen Iraqi assets to the issue of the trade claims; he had merely sought U.S. "consideration" of the latter issue.

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IRAN ASKS FOR CONTACTS WITH THE U.S.  
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16. (S) While giving few details, the King and Muasher both noted that the Iranians had expressed to Muasher on his recent visit that they are serious about wanting a dialogue with the U.S. on Iraq and counterterrorism.

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ARTICLE 98 AGREEMENT  
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17. (C) The King said that he remains committed to negotiating an Article 98 agreement with the U.S., and said he had instructed the Jordanian UN PermRep, Prince Zaid bin Raad, to be flexible in discussions with the U.S. He said he hoped that the U.S. and Jordan could find mutually acceptable language in its next negotiating session in January 2004. FonMin Muasher separately made two points on Article 98: a) the US formula would exclude the possibility of Jordan taking to the International Criminal Court an Israeli-American dual citizen who ordered a transfer of Palestinians from the West Bank to Jordan. Jordan wanted to have that possibility as a deterrent. b) 72 countries have signed Article 98 agreements with the US, but he asserted that only one -- Romania -- is a signatory of the ICC. Not only is Jordan a signatory, but Jordan is president of the ICC member states group, and therefore must proceed cautiously. The language of an Article 98 agreement with the U.S. needs to take these issues into account or "Jordan will look like a banana republic."

18. (U) CPA Baghdad minimize considered.

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